



Congress of the United States
House of Representatives
Washington, DC 20515-1310

August 20, 2019

Revan McQueen
Chief Executive Officer
Ackerman McQueen
1601 Northwest Expressway, STE 1100
Oklahoma City, OK 73118

Dear Mr. McQueen:

As a member of the House of Representatives and its Committee on Ways and Means, I take very seriously the Committee's oversight role of our nation's federal tax laws and my responsibility in this process. It is with this duty in mind that I am respectfully requesting Ackerman McQueen make public documents that can help determine if wrongdoing by the National Rifle Association of America (NRA) has occurred and whether these activities warrant reconsideration of the NRA's tax-exempt status as an organization described in section 501(c)(4) of the Internal Revenue Code (IRC).

As I am sure you are aware, allegations against the NRA were reported in *The New Yorker* on April 17, 2019, including instances of egregious self-dealing, deceptive billing practices, and preferences in contracting.¹ Additional reporting by *The Wall Street Journal* paints a disturbing picture of the internal struggle between NRA leadership, as well as its dispute with your firm, and refers to various documents detailing possible improper operating practices.²

In June, *The Washington Post* published an investigatory piece outlining questionable business dealings between NRA Board members and the NRA, which suggests the possibility of private inurement, which violates Section 501(c)(4) of the IRC.³ Additionally, Wayne LaPierre alleged, in a letter to the NRA Board, that Ackerman McQueen drafted and was prepared to release a "damaging letter" containing "a devastating account of our [NRA] financial status, sexual harassment charges against a staff member, accusations of wardrobe expenses and excessive staff travel expenses" unless he resigned.⁴ And recent reporting has shed light on \$70,000 of

¹ Mike Spies, "Secrecy, Self-Dealing, and Greed at the NRA," *The New Yorker*, April 17, 2019.

² Mark Maremont, "NRA's Wayne LaPierre Says He is Being Extorted, Pressured to Resign," *The Wall Street Journal*, April 26, 2019.

³ Beth Reinhard *et al*, "NRA Money Flowed to Board Members," *The Washington Post*, June 9, 2019.

⁴ Apr. 25, 2019 Letter from Wayne LaPierre to the NRA Board, available at https://www.wsj.com/public/resources/documents/LaPierreletter042519.pdf?mod=article_inline.

NRA funding transferred to a company linked to Ackerman McQueen that was used to facilitate a search for a new home for Mr. LaPierre. This transaction was eventually flagged by NRA accountants as having violated their “accounts payable procedures.”⁵ There have been other reports of questionable payments or other benefits to Mr. LaPierre being paid through (or by) Ackerman McQueen.⁶

Recent court filings by the NRA and your firm raise several additional questions about the NRA’s management and tax-exempt status. As an example, the NRA said in a court filing that the organization was prohibited by its non-profit Bylaws from paying its Board President Lt. Col. North.⁷ However, a recent court pleading by Ackerman McQueen alleges that Mr. LaPierre and Lt. Col. North negotiated a contract for Lt. Col. North, upon his assentation to the position of Board President, including drafting a contract “term sheet.”⁸ The contract, which was structured to be paid through Ackerman McQueen, purportedly compensated Lt. Col. North over \$1 million.

The American public deserves to know whether tax-exempt organizations are operating according to their intended social welfare purpose and your cooperation in this matter is of the utmost importance. Therefore, I respectfully request you provide my office the following information by September 3rd, 2019:

1. A copy of the letter or letters Mr. LaPierre alleges were drafted by Ackerman McQueen containing “damaging” information, as well as any documents, including correspondence, memorandums, or other materials that support the allegations contained within this letter or letters.⁹
2. Any materials Ackerman McQueen drafted, prepared, or transmitted to Lt. Col. North related to allegations of misconduct or the NRA’s tax-exempt status.
3. Any materials relating to the purchase of clothing or travel expenses, initiated by or billed through Ackerman McQueen, for NRA management or NRA board members.
4. Any materials, including “term sheets,” draft agreements, or correspondence with NRA management, regarding Lt. Col. North’s contract with Ackerman McQueen. Please also indicate whether the NRA compensated Ackerman McQueen – either in whole or in part – for payments to Lt. Col. North under said contract.

⁵ Carol D. Leoning *et al*, “NRA Chief Sought Purchase of \$6 Million Mansion in Wake of Parkland Shooting,” *The Washington Post*, August 7, 2019.

⁶ See e.g., Mark Maremont, “NRA Chief Wayne LaPierre Questioned on Travel Expenses”, *The Wall Street Journal*, May 2, 2019 (reporting “Mr. Brewer said certain fundraising and travel expenses were routed through Ackerman McQueen for ‘confidentiality and security purposes,’ but the practice has since been modified”).

⁷ *NRA v. Ackerman McQueen*, Civil Amended Complaint, filed Apr. 24, 2019, para. 33 (“the NRA Bylaws do not provide for the President to receive a salary”).

⁸ *NRA v. Ackerman McQueen*, Answer and Counterclaim, filed July 16, 2019, para. 37 (“LaPierre negotiated the terms of the North Contract directly with Lt. Col. North and a detailed term sheet was sent to [Ackerman] for competition of the formal agreement.... Wilson (“Woody”) Phillips, then-Treasurer of the NRA, reviewed and approved the North Contract to assure compliance with the term sheet”).

⁹ See Apr. 25, 2019 Letter from Wayne LaPierre to the NRA Board.

5. Any materials relating to gifts, benefits, or other tangible items of value that your firm and its affiliates provided, or contemplated providing, NRA management or NRA board members. For the purpose of this request, please exclude gifts or items of value worth less than \$500. For the avoidance of doubt, this would include documents surrounding the contemplated purchase of a home for Mr. LaPierre in Dallas, the \$70,000 payment from the NRA relating to that contemplated purchase, and any agreements Ackerman entered into with the NRA or NRA management surrounding the formation of an LLC to facilitate this purchase.¹⁰
6. Any internal or third-party audits, reviews, or investigations conducted (i) by or for the NRA, or (ii) by or for Ackerman McQueen, relating to allegations of financial mismanagement, self-dealing, or any other subject that would raise questions about the non-profit status of the NRA.
7. Explain how invoices from your firm to the NRA were prepared from 2016 to present. If there was a change to that process during this time period, please explain the nature of that change.

I appreciate your timely consideration of my request and look forward to your response.

Sincerely,



Bradley S. Schneider
MEMBER OF CONGRESS

¹⁰ See Carol D. Leoning *et al*, "NRA Chief Sought Purchase of \$6 Million Mansion in Wake of Parkland Shooting," *The Washington Post*, August 7, 2019.